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U.S. EPA REGION 5
HEARING CLERK

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5

In the Matter of:	)	**Docket No. CAA-05-2025-0033**
	)	
Pixelle Specialty Solutions LLC	)	**Proceeding to Assess a Civil Penalty**
Chillicothe, Ohio	)	**Under Section 113(d) of the Clean Air Act,**
	)	**42 U.S.C. § 7413(d)**
Respondent.	)	
	)	

Consent Agreement and Final Order

Preliminary Statement

1. This is an administrative action commenced and concluded under Section 113(d) of the Clean Air Act (the CAA), 42 U.S.C. § 7413(d), and Sections 22.1(a)(2), 22.13(b) and 22.18(b)(2) and (3) of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits (Consolidated Rules), as codified at 40 C.F.R. Part 22.

2. Complainant is the Director of the Enforcement and Compliance Assurance Division, U.S. Environmental Protection Agency (EPA), Region 5.

3. Respondent is Pixelle Specialty Solutions LLC ("Pixelle" or "you"), a limited liability company doing business in Ohio.

4. Where the parties agree to settle one or more causes of action before the filing of a complaint, the administrative action may be commenced and concluded simultaneously by the issuance of a consent agreement and final order (CAFO). 40 C.F.R. § 22.13(b).

5. The parties agree that settling this action without the filing of a complaint or the adjudication of any issue of fact or law is in their interest and in the public interest.

6. Respondent consents to the assessment of the civil penalty specified in this CAFO and to the terms of this CAFO.

Jurisdiction and Waiver of Right to Hearing

7. Respondent admits the jurisdictional allegations in this CAFO and neither admits nor denies the factual allegations in this CAFO.

8. Respondent waives its right to request a hearing as provided at 40 C.F.R. § 22.15(c), any right to contest the allegations in this CAFO and its right to appeal this CAFO.

9. Respondent waives any rights or defenses that Respondent has or may have for this matter to be resolved in federal court, including but not limited to any right to a jury trial, and waives any right to challenge the lawfulness of the final order accompanying the consent agreement.

Statutory and Regulatory Background

National Emission Standards for Hazardous Air Pollutants

10. Section 112(a)(1) of the CAA, 42 U.S.C. § 7412(a)(1), defines "major source" as any stationary source that emits or has the potential to emit considering controls, in the aggregate, 10 tons per year or more of any hazardous air pollutant (HAP) or 25 tons per year or more of any combination of HAPs.

11. Section 112(d)(1) of the CAA, 42 U.S.C. § 7412(d)(1), requires that national emission standards for HAPs be promulgated for categories of major sources of HAPs.

12. EPA proposed the National Emission Standards for Hazardous Air Pollutants from the Pulp and Paper Industry (NESHAP S) on December 17, 1993. EPA promulgated NESHAP S on April 15, 1998. 63 Fed. Reg. 18,504, 18,617 (Apr. 15, 1998). NESHAP S, as amended, is codified at 40 C.F.R. §§ 60.440–60.459.

13. NESHAP S applies to the owner or operator of processes that produce pulp, paper, or paperboard located at a major source that, among other things, uses kraft processes using wood. 40 C.F.R. § 63.440(a).

14. 40 C.F.R. § 63.441 defines "closed-vent system" as a system that is not open to the atmosphere and is composed of piping, ductwork, connections, and, if necessary, flow-inducing devices that transport gas or vapor from an emission point to a control device.

15. 40 C.F.R. § 63.441 defines "kraft pulping" as a chemical pulping process that uses a mixture of sodium hydroxide and sodium sulfide as the cooking liquor.

16. 40 C.F.R. § 63.441 defines "high volume, low concentration or HVLC system" as the collection of equipment including pulp washing, knotter, screen, decker, and oxygen delignification systems, weak liquor storage tanks, and any other equipment serving the same function as those previously listed.

17. 40 C.F.R. § 63.441 defines "low volume, high concentration or LVHC system" as the collection of equipment including the digester, turpentine recovery, evaporator, steam stripper systems, and any other equipment serving the same function as those previously listed.

18. 40 C.F.R. § 63.441 defines "pulp washing system" as all equipment used to wash pulp and separate spent cooking chemicals following the digester system and prior to the bleaching system, oxygen delignification system, or paper machine system (at unbleached mills). The pulp washing system equipment includes vacuum drum washers, diffusion washers, rotary pressure washers, horizontal belt filters, intermediate stock chests, and their associated vacuum pumps, filtrate tanks, foam breakers or tanks, and any other equipment serving the same function as those previously listed.

The pulp washing system does not include deckers, screens, knotters, stock chests, or pulp storage tanks following the last stage of pulp washing.

19. 40 C.F.R. § 63.441 defines "pulping process condensates" as any HAP-containing liquid that results from contact of water with organic compounds in the pulping process.

20. 40 C.F.R. § 63.441 defines "steam stripper system" as a column (including associated stripper feed, tanks, condensers, or heat exchangers) used to remove compounds from wastewater or condensates using steam.

21. 40 C.F.R. § 63.443(a)(1)(iii) provides that the owner or operator of each pulping system using the kraft process subject to NESHAP S shall control the total HAP emissions from each pulp washing system as specified in 40 C.F.R. § 63.443(c)–(d).

22. 40 C.F.R. § 63.443(c) provides that the equipment systems listed in 40 C.F.R. § 63.443(a)–(b) shall be enclosed and vented into a closed-vent system and routed to a control device that meets the requirements specified at 40 C.F.R. § 63.443(d). The enclosures and closed-vent system shall meet the requirements specified in 40 C.F.R. § 63.450.

23. 40 C.F.R. § 63.443(d) provides that the control device used to reduce total HAP emissions from each equipment system listed in 40 C.F.R. § 63.443(a) and (b) shall:

a. Reduce total HAP emissions by 98 percent or more by weight; or

b. Reduce the total HAP concentration at the outlet of the thermal oxidizer to 20 parts per million or less by volume, corrected to 10 percent oxygen on a dry basis; or

c. Reduce total HAP emissions using a thermal oxidizer designed and operated at a minimum temperature of 871 °C (1600 °F) and a minimum residence time of 0.75 seconds; or

d. Reduce total HAP emissions using one of the following:

(i) A boiler, lime kiln, or recovery furnace by introducing the HAP emission stream with the primary fuel or into the flame zone; or

(ii) A boiler or recovery furnace with a heat input capacity greater than or equal to 44 megawatts (150 million British thermal units per hour) by introducing the HAP emission stream with the combustion air.

24. 40 C.F.R. § 63.446(b) provides that the pulping process condensate from the following equipment shall be treated to meet the requirements specified in 40 C.F.R. § 63.446(c)–(e):

(1) Each digester system;

(2) Each turpentine recovery system;

(3) Each evaporator system condensate from:

(i) The vapors from each stage where weak liquor is introduced (feed stages); and

(ii) Each evaporator vacuum system for each stage where weak liquor is introduced (feed stages).

(4) Each HVLC collection system; and

(5) Each LVHC collection system.

25. 40 C.F.R. § 63.446(c)(3) provides, in pertinent part, that the pulping process condensates from equipment systems listed in 40 C.F.R. § 63.446(b)(1)–(5) that in total contain a total HAP mass of 11.1 pounds per ton of oven dried pulp (ODP) for mills that perform bleaching are subject to 40 C.F.R. § 63.446(d)–(e).

26. 40 C.F.R. § 63.446(d) provides that the pulping process condensates from the equipment systems listed in 40 C.F.R. § 63.446(b) shall be conveyed in a closed collection system that is designed and operated to meet the requirements specified in 40 C.F.R. § 63.446(d)(1) and (2).

27. 40 C.F.R. § 63.446(d)(1) provides, in pertinent part, that closed vent systems and control devices shall be designed and operated in accordance with 40 C.F.R. §§ 63.443(d) and 63.450.

28. 40 C.F.R. § 63.446(e) provides that each pulping process condensate from the equipment systems listed in 40 C.F.R. § 63.446(b) shall be treated according to one of the following options:

(1) Recycle the pulping process condensate to an equipment system specified in 40 C.F.R. § 63.443(a) meeting the requirements specified in 40 C.F.R. § 63.443(c)–(d); or

(2) Discharge the pulping process condensate below the liquid surface of a biological treatment system and treat the pulping process condensates to meet the requirements specified in 40 C.F.R. § 63.446(e)(3), (4), or (5), and total HAP must be measured as specified in 40 C.F.R. § 63.457(g); or

(3) Treat the pulping process condensates to reduce or destroy the total HAPs by at least 92 percent or more by weight; or

(4) At mills that do not perform bleaching, treat the pulping process condensates to remove 6.6 pounds or more of total HAP per ton of ODP, or achieve a total HAP concentration of 210 parts per million or less by weight at the outlet of the control device; or

(5) At mills that perform bleaching, treat the pulping process condensates to remove 10.2 pounds or more of total HAP per ton of ODP, or achieve a total HAP concentration of 330 parts per million or less by weight at the outlet of the control device.

29. 40 C.F.R. § 63.446(f) provides that each HAP removed from a pulping process condensate stream during treatment and handling under 40 C.F.R. § 63.446(d) or (e), except for those treated according to 40 C.F.R. § 63.446(e)(2), shall be controlled as specified in 40 C.F.R. § 63.443(c)–(d).

30. 40 C.F.R. § 63.450(a) provides, in pertinent part, that each enclosure and closed-vent system specified in 40 C.F.R. § 63.443(c) for capturing and transporting vent streams that contain HAP shall meet the requirements specified in 40 C.F.R. § 63.450(b)–(d).

31. 40 C.F.R. § 63.450(b) provides, in pertinent part, that each enclosure shall maintain negative pressure at each enclosure or hood opening as demonstrated by the procedures specified in 40 C.F.R. § 63.457(e).

32. 40 C.F.R. § 63.450(c) provides that each component of the closed-vent system used to comply with 40 C.F.R. §§ 63.443(c), 63.444(b), and 63.445(b) that is operated at positive pressure and located prior to a control device shall be designed for and operated with no detectable leaks as indicated by an instrument reading of less than 500 parts per million by volume above background, as measured by the procedures specified in 40 C.F.R. § 63.457(d).

33. 40 C.F.R. § 63.453(k)(2) provides that each closed-vent system required by 40 C.F.R. § 63.450(a) must be visually inspected every 30 days and at other times as requested by the Administrator. The visual inspection must include inspection of ductwork, piping, enclosures, and connections to covers for visible evidence of defects.

34. 40 C.F.R. § 63.453(k)(6) provides, in pertinent part, that, if an inspection required by 40 C.F.R. § 63.453(k)(1)–(5) identifies visible defects in ductwork, piping, enclosures or connections to covers required by 40 C.F.R. § 63.450, then the following corrective actions must be taken as soon as practicable.

(1) A first effort to repair or correct the closed-vent system shall be made as soon as practicable but no later than 5 calendar days after the problem is identified.

(2) The repair or corrective action shall be completed no later than 15 calendar days after the problem is identified. Delay of repair or corrective action is allowed if the repair or corrective action is technically infeasible without a process unit shutdown or if the owner or operator determines that the emissions resulting from immediate repair would be greater than the emissions likely to result from delay of repair. Repair of such equipment shall be completed by the end of the next process unit shutdown.

35. 40 C.F.R. § 63.453(q) provides that, at all times, the owner or operator must operate and maintain any affected source, including air pollution control equipment and monitoring equipment, in a manner consistent with safety and good air pollution control practices for minimizing emissions. Determination of whether such operation and maintenance procedures are being used will be based on information available to the Administrator which may include, but is not limited to, monitoring results, review of operation and maintenance procedures, review of operation and maintenance records, and inspection of the source.

36. 40 C.F.R. § 63.454(b) provides that for each applicable enclosure opening, closed-vent system, and closed collection system, the owner or operator shall prepare and maintain a site-specific inspection plan including a drawing or schematic of the components of applicable affected equipment and shall record the following information for each inspection:

(1) Date of inspection;

(2) The equipment type and identification;

(3) Results of negative pressure tests for enclosures;

(4) Results of leak detection tests;

(5) The nature of the defect or leak and the method of detection (i.e., visual inspection or instrument detection);

(6) The date the defect or leak was detected and the date of each attempt to repair the defect or leak;

(7) Repair methods applied in each attempt to repair the defect or leak;

(8) The reason for the delay if the defect or leak is not repaired with 15 days after discovery;

(9) The expected date of successful repair of the defect or leak if the repair is not completed within 15 days;

(10) The date of successful repair of the defect or leak;

(11) The position and duration of opening of bypass line valves and the condition of any valve seals; and

(12) The duration of the use of bypass valves on computer controlled valves.

New Source Performance Standards

37. Section 111(b) of the CAA, 42 U.S.C. § 7411(b), requires EPA to promulgate standards of performance for new stationary sources, which reflect the degree of emission limitation achievable through the application of the best system of emission reduction for each source category.

38. Pursuant to Section 111(b) of the CAA, 42 U.S.C. § 7411(b), EPA promulgated Standards of Performance for Industrial-Commercial-Institutional Steam Generating Units on December 16, 1987 ("NSPS Db"). NSPS Db, as amended, is codified at 40 C.F.R. §§ 60.40b–60.49b.

39. The affected facility to which NSPS Db applies is each steam generating unit that commences construction, modification, or reconstruction after June 19, 1984, and that has a heat input capacity from fuels combusted in the steam generating unit of greater than 29 megawatts. 40 C.F.R. § 60.40b(a).

40. 40 C.F.R. § 60.43b(f) provides, in pertinent part, that on and after the date on which the initial performance test is completed or is required to be completed under 40 C.F.R. § 60.8, whichever date comes first, no owner or operator of an affected facility that combusts coal, oil, wood, or mixtures of these fuels with any other fuels shall cause to be discharged into the atmosphere any gases that

exhibit greater than 20 percent opacity (6-minute average), except for one 6-minute period per hour of not more than 27 percent opacity.

41. 40 C.F.R. § 60.48b(b) provides, in pertinent part, that the owner or operator of an affected facility subject to a NO_X standard under 40 C.F.R. § 60.44b shall either:

(1) Install, calibrate, maintain, and operate a continuous emissions monitoring system (CEMS) for measuring NO_X and O_2 (or CO_2) emissions discharged to the atmosphere, and shall record the output of the system; or

(2) If the owner or operator has installed a NO_X emission rate CEMS to meet the requirements of 40 C.F.R. Part 75 and is continuing to meet the ongoing requirements of 40 C.F.R. Part 75, that CEMS may be used to meet the requirements of 40 C.F.R. § 60.48b, except that the owner or operator shall also meet the requirements of 40 C.F.R. § 60.49b.

42. 40 C.F.R. § 60.48b(c) provides that the CEMS required under 40 C.F.R. § 60.48b(b) shall be operated and data recorded during all periods of operation of the affected facility except for CEMS breakdowns and repairs. Data is recorded during calibration checks, and zero and span adjustments.

Ohio State Implementation Plan

43. Section 110(a)(1) of the CAA, 42 U.S.C. § 7410(a)(1), requires each state to adopt and submit to EPA for approval a State Implementation Plan (SIP) that provides for the implementation, maintenance, and enforcement of the National Ambient Air Quality Standards (NAAQS).

44. On October 26, 2010, EPA approved Ohio Admin. Code Rule 3745-17-07 as part of the federally enforceable SIP for Ohio. 75 Fed. Reg. 65,567.

45. Ohio Admin. Code Rule 3745-17-07(A)(1)(b) provides, with exceptions not relevant here, visible particulate emissions from any stack may exceed 20% opacity, as a 6-minute average, for not more than 6 consecutive minutes in any 60 minutes, but shall not exceed 60% opacity, as a 6-minute average, at any time.

46. On January 22, 2003, EPA approved Ohio Admin. Code Rule 3745-31-05 as part of the federally enforceable SIP for Ohio. 68 Fed. Reg. 2909.

47. Pursuant to Ohio Admin. Code Rule 3745-31-05(A)(3), the director shall issue a permit-to-install or a permit-to-install and operate on the basis of the information appearing in the application, or information gathered by or furnished to the Ohio Environmental Protection Agency (Ohio EPA), or both, if the director determines that the installation, modification, or operation of the air contaminant source will employ best available technology.

Title V Permit

48. On May 10, 2004, Ohio EPA issued a Title V Permit to the Facility, then owned by MW Custom Papers LLC (the "Permit"). The Permit expired on May 31, 2009.

49. Pursuant to Ohio Admin. Code Rule 3745-77-08(E), if the owner/operator of a source timely submits a complete application to renew a Title V permit and Ohio EPA fails to take final action on the application to renew the permit prior to its expiration date, all provisions and authorizations of the expired permit shall remain in effect until Ohio EPA's final action on the pending renewal application.

50. Pixelle submitted an application to renew the Permit on November 24, 2008.

51. On June 20, 2024, Ohio EPA renewed the Title V Permit for the Facility. The renewed Permit became effective on July 9, 2024.

52. All the violations alleged in this CAFO occurred during the period in which the effective Title V permit was the permit issued on May 10, 2004.[1]

53. Permit Condition II.A.6.e.h provides that, except for monitoring malfunctions, associated repairs, and required quality assurance or control activities (including, as applicable, calibration checks and required zero and span adjustments), the owner or operator of the affected source or process unit must monitor continuously (or collect data at all required intervals) at all times that the affected source is operating, including periods of startup, shutdown, and malfunction.

54. The requirements of Ohio Admin. Code Rule 3745-31-05(A)(3) are incorporated in the Permit as Conditions A.I.1 of Part III for Emissions Units B014 and B015. Emissions Units B014 and B015 are also known as the "No. 1 and No. 2 Package Boilers," respectively.

55. Permit Conditions A.I.1 of Part III for Emissions Units B014 and B015 require the No. 1 and No. 2 Package Boilers to limit emissions to 0.39 pounds of carbon monoxide (CO) per MMBtu of actual heat input.

56. The requirements of Ohio Admin. Code Rule 3745-17-07(A) are incorporated in the Permit as Condition A.I.1. of Part III for Emissions Unit B011. Emissions Unit B011 is also known as the "No. 9 Recovery Furnace".

57. Permit Condition A.I.1. of Part III for Emissions Unit B011 requires that when firing soap and/or concentrated black liquor, visible particulate emissions from any stack shall not exceed 20% opacity as a 6-minute average, except as provided by Ohio Admin. Code Rule 3745-17-07(A).

58. The requirements of 40 C.F.R. § 60.43b(f) are incorporated in the Permit as Permit Condition A.I.1. of Part III for Emissions Unit B011.

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[1] All citations to Permit conditions in this CAFO are citations to the Title V Permit issued on May 10, 2004.

59. Permit Condition A.I.1. of Part III for Emissions Unit B011 requires that when firing #2 fuel oil, visible particulate emissions shall not exceed 20% opacity as a 6-minute average, except for one 6-minute period per hour of not more than 27% opacity.

60. Permit Conditions A.III.1, 3, 4, and 5 of Part III for Emissions Unit B011 provide that the permittee shall operate and maintain equipment to continuously monitor and record the emissions listed below from the No. 9 Recovery Furnace in units of the applicable standards. Such continuous monitoring and recording equipment shall comply with the requirements specified in 40 C.F.R. § 60.13.

(1) opacity of visible particulate emissions;

(2) NO_X emissions;

(3) total reduced sulfur (TRS) emissions; and

(4) sulfur dioxide (SO2) emissions.

61. Permit Conditions A.I.2.a of Part III for Emissions Unit B014 and Emissions Unit B015 provide that continuous emissions monitoring for NO_X shall be performed in accordance with 40 C.F.R. § 60.48b(b).

62. Permit Conditions A.III.1 of Part III for Emissions Unit B014 and B015 provide that the permittee shall operate and maintain equipment to continuously monitor and record CO emissions from Package Boilers Nos. 1 & 2 in units of the applicable standard. Such continuous monitoring and recording equipment shall comply with the requirements specified in 40 C.F.R. § 60.13.

63. 40 C.F.R. § 60.13(e) provides in pertinent part that, except for system breakdowns, repairs, calibration checks, and zero and span adjustments required under 40 C.F.R. § 60.13(d), all continuous monitoring systems shall be in continuous operation.

EPA's Enforcement Authority

64. The Administrator of EPA (the Administrator) may assess a civil penalty of up to $59,114 per day of violation up to a total of $472,901 for violations that occurred after November 2, 2015 under Section 113(d)(1) of the CAA, 42 U.S.C. § 7413(d)(1), and 40 C.F.R. Part 19.

65. Section 113(d)(1) limits the Administrator's authority to matters where the first alleged date of violation occurred no more than 12 months prior to initiation of the administrative action, except where the Administrator and the Attorney General of the United States jointly determine that a matter involving a longer period of violation is appropriate for an administrative penalty action.

66. The Administrator and the Attorney General of the United States, each through their respective delegates, have determined jointly that an administrative penalty action is appropriate for the period of violations alleged in this CAFO.

67. The Regional Judicial Officer of Region 5 is authorized to ratify the consent agreement memorializing the settlement between the EPA and Respondent and to issue the attached Final Order. 40 C.F.R. §§ 22.4(b) and 22.18(b).

Factual Allegations and Alleged Violations

68. Respondent owns and operates a kraft pulp and paper mill that performs bleaching at 232 East 8th Street, Chillicothe, Ohio (the "Facility").

69. Respondent is a "person," as that term is defined in Section 302(e) of the CAA. 42 U.S.C. § 7602(e).

70. As a pulp producer that uses the kraft process and is a major source of HAP, the Facility is subject to the requirements of NESHAP S at 40 C.F.R. §§ 63.440–459.

71. At the Facility, Respondent operates a steam stripper (the "Steam Stripper"), which removes HAP from certain condensate streams that the Facility collects.

72. At the Facility, Respondent operates a pulp washing system (the "Chemi-washer"), which removes HAP from certain other condensate streams that the Facility collects. The Chemi-washer is a pulp washing system under 40 C.F.R. § 63.443(a)(1)(iii).

73. At the Facility, Respondent operates a sludge blend tank (the "Sludge Blend Tank"), which creates the desired sludge consistency before further processing.

74. At the Facility, Respondent operates the No. 9 Recovery Furnace, a steam generating unit for which construction, modification, or reconstruction commenced after June 19, 1984, and that has a heat input capacity from fuels combusted in the steam generating unit of greater than 29 megawatts. The No. 9 Recovery Furnace is subject to NSPS Db at 40 C.F.R. §§ 60.40b–60.49b.

75. Respondent is subject to the requirements of Section 114(a)(1) because it owns or operates an "emission source" within the meaning of Section 114(a)(1) of the CAA, 42 U.S.C. § 7414(a)(1).

76. On March 27, 2023, EPA issued to Respondent a Notice and Finding of Violation and conveyed a copy of the Notice and Finding of Violation to representatives of the Ohio Environmental Protection Agency. By these steps, EPA satisfied the notice requirements of Section 113(a)(1) of the CAA, 42 U.S.C. § 7413(a)(1).

77. On May 23, 2023, and in subsequent teleconferences and information exchanges, representatives of Pixelle and EPA discussed the March 27, 2023 Notice and Finding of Violation and resolution of the alleged violations.

Claim 1: Failure to fully enclose and vent the Chemi-washer into a closed-vent system

78. 40 C.F.R. § 63.443(c) requires Respondent to enclose and vent the Chemi-washer into a closed-vent system and route emissions to a control device that meets the requirements specified at 40 C.F.R. § 63.443(d).

79. In its May 2, 2022 Performance Test Plan, Respondent stated: "The section of the Chemi-washer where the Knockoff Shower is used is the only section of the Chemi-washer that is not vented to and controlled by the HVLC system."

80. Respondent's failure to fully enclose and vent the Knockoff Shower section of the Chemi-washer into a closed-vent system is a violation of 40 C.F.R. § 63.443(c), which subjects Respondent to issuance of an administrative penalty order pursuant to Section 113(d) of the CAA, 42 U.S.C. § 7413(d).

Claim 2: Failure to adequately treat HAP

81. 40 C.F.R. § 63.446(e) requires Respondent to treat each pulping process condensate collected from the equipment systems listed in 40 C.F.R. § 63.446(b) according to one of the five options listed in 40 C.F.R. § 63.446(e)(1)–(5).

82. Respondent elected to comply with the treatment option in 40 C.F.R. § 63.446(e)(5) at the Facility, which requires Respondent to remove at least 10.2 pounds of HAP per ton of ODP.

83. Between August 10, 2022 and September 8, 2022, Respondent performed testing of its condensate collection and treatment systems (the "2022 Performance Test"). Respondent submitted the results of the 2022 Performance Test to EPA on November 2, 2022.

84. The results of the 2022 Performance Test showed that the amount of HAP per ton of ODP removed by the Steam Stripper, as an average over 16 test days, was 8.0 pounds of HAP per ton of ODP. Each daily removal amount was below 10.2 pounds of HAP per ton of ODP.

85. Respondent's failure to remove 10.2 pounds of HAP per ton of ODP from the pulping process condensates collected from the equipment systems listed in 40 C.F.R. § 63.446(b) is a violation of 40 C.F.R. § 63.446(e), which subjects Respondent to issuance of an administrative penalty order pursuant to Section 113(d) of the CAA, 42 U.S.C. § 7413(d).

Claim 3: Failure to control each HAP removed from a pulping process condensate during treatment

86. 40 C.F.R. § 63.446(f) requires Respondent to control each HAP removed from a pulping process condensate stream during treatment and handling by venting the HAP into a closed-vent system and routing it to a control device.

87. At the Facility, certain pulping process condensate streams are collected in the Dirty Hot Water Tank, from which, the pulping process condensates are pumped to three places, including the Knockoff Shower. As alleged in Paragraph 79, emissions from the Knockoff Shower are not vented into a closed-vent system and routed to a control device.

88. Respondent's failure to control each HAP removed from a pulping process condensate stream during treatment and handling by venting the HAP into a closed-vent system and routing it to a control device is a violation of 40 C.F.R. § 63.446(f), which subjects Respondent to issuance of an administrative penalty order pursuant to Section 113(d) of the CAA, 42 U.S.C. § 7413(d).

Claim 4: Failure to operate and maintain affected sources in a manner consistent with safety and good air pollution control practices

89. 40 C.F.R. § 63.453(q) requires Respondent to operate and maintain any affected source in a manner consistent with safety and good air pollution control practices for minimizing emissions.

90. A properly operated and maintained steam stripper is expected to achieve an actual HAP removal efficiency of 92%. 63 Fed. Reg. at 18,509.

91. During the 2022 Performance Test, the Steam Stripper was tested over a range of operating conditions consistent with normal operations. The Steam Stripper achieved between 48% and 68% HAP removal efficiency.

92. Respondent provided records of 55 potential overflows from the Sludge Blend Tank in 2019 to 2021. During EPA's on-site inspection on July 21, 2021, EPA inspectors observed sludge on the ground near the sludge blend tank.

93. In May 2022, Respondent cleaned and calibrated the level detector on the Sludge Blend Tank. Respondent also provided additional training to operators. These measures reduced the frequency and magnitude of Sludge Blend Tank overflows.

94. Respondent's failure to operate the Steam Stripper at the expected HAP removal efficiency of 92% and failure to minimize and address overflows from the Sludge Blend Tank are failures to operate and maintain the affected source in a manner consistent with safety and good air pollution control practices for minimizing emissions, which is a violation of 40 C.F.R. § 63.453(q). This violation subjects Respondent to issuance of an administrative penalty order pursuant to Section 113(d) of the CAA, 42 U.S.C. § 7413(d).

Claim 5: Exceedance of carbon monoxide emissions limits for the No. 1 and No. 2 Package Boilers

95. Permit Conditions A.I.1 of Part III for Emissions Units B014 and B015 require Respondent to limit the carbon monoxide (CO) emissions of the No. 1 and No. 2 Package Boilers to no more than 0.39 pounds of CO per million British thermal units (MMBtu) of actual heat input.

96. Respondent reported exceedances of the CO emissions limit for the No. 1 and No. 2 Package Boilers on three days during the fourth quarter of 2018 and on two days during the fourth quarter of 2020.

97. Respondent's exceedances of the CO emissions limit for the No. 1 and No. 2 Package Boilers during the fourth quarter of 2018 and the fourth quarter of 2020 are violations of Permit Conditions A.I.1 of Part III for Emissions Units B014 and B015, which subjects Respondent to issuance of an administrative penalty order pursuant to Section 113(d) of the CAA, 42 U.S.C. § 7413(d).

Claim 6: Exceedance of opacity limit for the No. 9 Recovery Furnace

98. Permit Condition A.I.1 of Part III for Emissions Unit B011 requires that, when Respondent is firing the No. 9 Recovery Furnace with soap and/or concentrated black liquor, visible particulate emissions from any stack shall not exceed 20% opacity as a 6-minute average, except as provided by Ohio Admin. Code Rule 3745-17-07(A).

99. Permit Condition A.I.1. of Part III for Emissions Unit B011 requires that, when Respondent is firing the No. 9 Recovery Furnace with #2 fuel oil, visible particulate emissions shall not exceed 20% opacity as a 6-minute average, except for one 6-minute period per hour of not more than 27% opacity.

100. Respondent reported exceedances of the opacity limits for the No. 9 Recovery Furnace during the first and second halves of 2018, the first half of 2020, and second half of 2021.

101. Respondent's exceedances of the opacity limits for the No. 9 Recovery Furnace are violations of Permit Condition A.I.1. of Part III for Emissions Unit B011, which subjects Respondent to issuance of an administrative penalty order pursuant to Section 113(d) of the CAA, 42 U.S.C. § 7413(d).

Claim 7: Failure to continuously monitor and record opacity at the No. 9 Recovery Furnace

102. Permit Condition A.III.1 of Part III for Emissions Unit B011 requires Respondent to operate and maintain equipment to continuously monitor and record the opacity of the visible particulate emissions from the No. 9 Recovery Furnace. Such continuous monitoring and recording equipment shall comply with the requirements specified in 40 C.F.R. § 60.13.

103. 40 C.F.R. § 60.13(e) requires that, except for system breakdowns, repairs, calibration checks, and zero and span adjustments required under 40 C.F.R. § 60.13(d), all continuous monitoring systems shall be in continuous operation.

104. Respondent reported 7.94% downtime for the CEMS for monitoring opacity at the No. 9 Recovery Furnace in the Second Quarter of 2020.

105. Respondent's failure to continuously monitor and record the opacity of visible particulate emissions from the No. 9 Recovery Furnace is a violation of Permit Condition A.III.1 of Part III for Emissions Unit B011 and 40 C.F.R. § 60.13(e), which subjects Respondent to issuance of an administrative penalty order pursuant to Section 113(d) of the CAA, 42 U.S.C. § 7413(d).

Claim 8: Failure to continuously monitor and record emissions of TRS, NO_X, and SO_2 from the No. 9 Recovery Furnace

106. Permit Conditions A.III.3, 4, and 5 of Part III for Emissions Unit B011 require Respondent to operate and maintain equipment to continuously monitor and record emissions of TRS, NO_X, and SO_2 from the No. 9 Recovery Furnace. Such continuous monitoring and recording equipment shall comply with the requirements specified in 40 C.F.R. § 60.13.

107. 40 C.F.R. § 60.13(e) requires that, except for system breakdowns, repairs, calibration checks, and zero and span adjustments required under 40 C.F.R. § 60.13(d), all continuous monitoring systems shall be in continuous operation.

108. Respondent reported 3.45% downtime for the TRS, NO_X, and SO_2 CEMS for the No. 9 Recovery Furnace in the Second Quarter of 2019.

109. Respondent's failure to continuously monitor and record emissions of TRS, NO_X, and SO_2 from the No. 9 Recovery Furnace is a violation of Permit Conditions A.III.3, 4, and 5 of Part III for

Emissions Unit B011 and 40 C.F.R. § 60.13(e), which subjects Respondent to issuance of an administrative penalty order pursuant to Section 113(d) of the CAA, 42 U.S.C. § 7413(d).

Claim 9: Failure to continuously monitor and record emissions of NO_X and CO from the Nos. 1 and 2 Package Boilers

110. Permit Conditions A.III.1 of Part III for Emissions Unit B014 and B015 require that Respondent operate and maintain equipment to continuously monitor and record CO emissions from the Nos. 1 and 2 Package Boilers. Such continuous monitoring and recording equipment shall comply with the requirements specified in 40 C.F.R. § 60.13.

111. 40 C.F.R. § 60.13(e) requires that, except for system breakdowns, repairs, calibration checks, and zero and span adjustments required under 40 C.F.R. § 60.13(d), all continuous monitoring systems shall be in continuous operation.

112. Respondent reported over 9% downtime for the CO CEMS for the Nos. 1 and 2 Package Boilers in the fourth quarter of 2020.

113. Respondent's failure to continuously monitor and record emissions of CO from the Nos. 1 and 2 Package Boilers during the fourth quarter of 2020 is a violation of Permit Conditions A.III.1 of Part III for Emissions Unit B014 and Emissions Unit B015 and 40 C.F.R. § 60.13(e), which subjects Respondent to issuance of an administrative penalty order pursuant to Section 113(d) of the CAA, 42 U.S.C. § 7413(d).

Claim 10: Failure to repair a visible defect in the Chemi-washer hood

114. 40 C.F.R. § 63.453(k)(2) requires Respondent to visually inspect each closed-vent system required by § 63.450(a) every 30 days. The visual inspection shall include inspection of ductwork, piping, enclosures, and connections to covers for visible evidence of defects.

115. 40 C.F.R. § 63.453(k)(6) requires that, if a visual inspection identifies visible defects in ductwork, piping, enclosures or connections to covers, then Respondent must take the following corrective actions as soon as practicable: (1) a first effort to repair or correct the closed-vent system shall be made as soon as practicable but no later than 5 calendar days after the problem is identified; and (2) the repair or corrective action shall be completed no later than 15 calendar days after the problem is identified.

116. According to Respondent's visual inspection records, Respondent documented a leak in the Chemi-washer vent hood on January 31, 2018. Respondent continued to document a leak in the Chemi-washer vent hood during each visual inspection through March 28, 2019.

117. Respondent initially attempted to correct the leak by adjusting the vacuum in the HVLC collection system but was unsuccessful. An attempt to repair the leak during an outage on December 6, 2018, was also unsuccessful. Respondent completed repair of the leak on April 18, 2019.

118. Respondent's failure to repair the visible defect in the Chemi-washer hood vent no later than 15 calendar days after the defect was identified is a violation of 40 C.F.R. § 63.453(k)(6), which subjects Respondent to issuance of an administrative penalty order pursuant to Section 113(d) of the CAA, 42 U.S.C. § 7413(d).

Claim 11: Failure to maintain complete inspection records

119. 40 C.F.R. § 63.454(b) specifies the information that Respondent must record for each inspection of a closed-vent system.

120. Respondent's records of visual inspections between January 31, 2018 and March 28, 2019 do not include information required by 40 C.F.R. § 63.454(b), including: repair methods applied in each attempt to repair the defect or leak; the reason for the delay if the defect or leak is not repaired with 15

days after discovery; the expected date of successful repair of the defect or leak if the repair is not completed within 15 days; and the date of successful repair of the defect or leak.

121. Respondent's failure to include all required information in records for each inspection of each closed-vent system between January 31, 2018 and March 28, 2019 is a violation of 40 C.F.R. § 63.454(b), which subjects Respondent to issuance of an administrative penalty order pursuant to Section 113(d) of the CAA, 42 U.S.C. § 7413(d).

Civil Penalty

122. Based on analysis of the factors specified in Section 113(e) of the CAA, 42 U.S.C. § 7413(e), the facts of this case and Respondent's cooperation, Complainant has determined that an appropriate civil penalty to settle this action is $234,440.

123. Penalty Payment. Respondent agrees to pay the civil penalty of $234,440 ("Assessed Penalty") within 30 days after the date the Final Order ratifying this CAFO is filed with the Regional Hearing Clerk ("Filing Date").

124. Respondent shall pay the Assessed Penalty and any interest, fees, and other charges due using any method, or combination of appropriate methods, as provided on the EPA website: https://www.epa.gov/financial/makepayment. For additional instructions see: https://www.epa.gov/financial/additional-instructions-making-payments-epa.

125. When making a payment, Respondent shall:

a. Identify the payment with Respondent's name and the docket number of this CAFO, CAA-05-2025-0033;

b. Within 24 hours of the payment of the civil penalty Respondent must send proof of such payment to EPA via electronic mail to the following addresses:

Air Enforcement and Compliance Assurance Branch

U.S. Environmental Protection Agency, Region 5
R5airenforcement@epa.gov

Adam Mittermaier
Office of Regional Counsel
U.S. Environmental Protection Agency, Region 5
Mittermaier.adam@epa.gov

Regional Hearing Clerk
U.S. Environmental Protection Agency, Region 5
r5hearingclerk@epa.gov

U.S. Environmental Protection Agency
Cincinnati Finance Center
CINWD_AcctsReceivable@epa.gov

"Proof of payment" means, as applicable, a copy of the check, confirmation of credit card or debit card payment, or confirmation of wire or automated clearinghouse transfer, and any other information required to demonstrate that payment has been made according to EPA requirements, in the amount due, and identified with the appropriate docket number and Respondent's name.

126. Interest, Charges, and Penalties on Late Payments. Pursuant to 42 U.S.C. § 7413(d)(5), 31 U.S.C. § 3717, 31 C.F.R. § 901.9, and 40 C.F.R. § 13.11, if Respondent fails to timely pay the full amount of the Assessed Penalty per this CAFO, the entire unpaid balance of the Assessed Penalty and all accrued interest shall become immediately owing, and the EPA is authorized to recover the following amounts.

a. Interest. Interest begins to accrue from the Filing Date. If the Assessed Penalty is paid in full within thirty (30) days, interest accrued is waived. If the Assessed Penalty is not paid in full within thirty (30) days, interest will continue to accrue until any unpaid portion of the Assessed Penalty as well as any interest, penalties, and other charges are paid in full. Per 42 U.S.C. § 7413(d)(5), interest will be assessed pursuant to 26 U.S.C. § 6621(a)(2), that is, the IRS standard underpayment rate, equal to the Federal short-term rate plus 3 percentage points.

b. Handling Charges. The United States' enforcement expenses including, but not limited to, attorneys' fees and costs of handling collection.

c. Late Payment Penalty. A ten percent (10%) quarterly non-payment penalty.

127. Late Penalty Actions. In addition to the amounts described in the prior Paragraph, if Respondent fails to timely pay any portion of the Assessed Penalty, interest, or other charges and penalties per this CAFO, the EPA may take additional actions. Such actions the EPA may take include, but are not limited to, the following.

a. Refer the debt to a credit reporting agency or a collection agency, per 40 C.F.R. §§ 13.13 and 13.14.

b. Collect the debt by administrative offset (i.e., the withholding of money payable by the United States government to, or held by the United States government for, a person to satisfy the debt the person owes the United States government), which includes, but is not limited to, referral to the Internal Revenue Service for offset against income tax refunds, per 40 C.F.R. Part 13, Subparts C and H.

c. Suspend or revoke Respondent's licenses or other privileges or suspend or disqualify Respondent from doing business with EPA or engaging in programs EPA sponsors or funds, per 40 C.F.R. § 13.17.

d. Request that the Attorney General bring a civil action in the appropriate district court to enforce the Final Order and recover the full remaining balance of the Assessed Penalty, in addition to interest and the amounts described above, per 42 U.S.C. § 7413(d)(5). In any such action, the validity, amount, and appropriateness of the Assessed Penalty and Final Order shall not be subject to review.

128. Allocation of Payments. Pursuant to 31 C.F.R. § 901.9(f) and 40 C.F.R. § 13.11(d), a partial payment of debt will be applied first to outstanding handling charges, second to late penalty charges, third to accrued interest, and last to the principal that is the outstanding Assessed Penalty amount.

129. Tax Treatment of Penalties. Penalties, interest, and other charges paid pursuant to this CAFO shall not be deductible for purposes of federal taxes.

130. Pursuant to 26 U.S.C. § 6050X and 26 C.F.R. § 1.6050X-1, EPA is required to send to the Internal Revenue Service ("IRS") annually, a completed IRS Form 1098-F ("Fines, Penalties, and Other Amounts") with respect to any court order or settlement agreement (including administrative settlements), that require a payor to pay an aggregate amount that EPA reasonably believes will be equal to, or in excess of, $50,000 for the payor's violation of any law or the investigation or inquiry into the payor's potential violation of any law, including amounts paid for "restitution or remediation of property" or to come "into compliance with a law." EPA is further required to furnish a written statement, which provides the same information provided to the IRS, to each payor (i.e., a copy of IRS Form 1098-F). Failure to comply with providing IRS Form W-9 or Tax Identification Number ("TIN"), as described below, may subject Respondent to a penalty, per 26 U.S.C. § 6723, 26 U.S.C. § 6724(d)(3), and 26 C.F.R. § 301.6723-1. In order to provide EPA with sufficient information to enable it to fulfill these obligations, EPA herein requires, and Respondent herein agrees, that:

a. Respondent shall complete an IRS Form W-9 ("Request for Taxpayer Identification Number and Certification"), which is available at https://www.irs.gov/pub/irs-pdf/fw9.pdf;

b. Respondent shall therein certify that its completed IRS Form W-9 includes Respondent's correct TIN or that Respondent has applied and is waiting for issuance of a TIN;

c. Respondent shall email its completed Form W-9 to EPA's Cincinnati Finance Center at wise.milton@epa.gov, within 30 days after the Final Order ratifying this Agreement is filed, and EPA recommends encrypting IRS Form W-9 email correspondence; and

d. In the event that Respondent has certified in its completed IRS Form W-9 that it does not yet have a TIN but has applied for a TIN, Respondent shall provide EPA's Cincinnati

Finance Center with Respondent's TIN, via email, within five (5) days of Respondent's receipt of a TIN issued by the IRS.

General Provisions

131. The parties consent to service of this CAFO by e-mail at the following valid e-mail addresses: Mittermaier.adam@epa.gov (for Complainant), and Patrick.Zaepfel@pixelle.com (for Respondent). Respondent understands that the CAFO will become publicly available upon filing.

132. This CAFO resolves only Respondent's liability for federal civil penalties for the violations alleged in this CAFO.

133. The CAFO does not affect the rights of EPA or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violation of law.

134. This CAFO does not affect Respondent's responsibility to comply with the CAA and other applicable federal, state and local laws. Except as provided in paragraph 132, above, compliance with this CAFO will not be a defense to any actions subsequently commenced pursuant to federal laws administered by EPA.

135. Respondent certifies that it is complying fully with NESHAP S, the Permit, and 40 C.F.R. §§ 60.13(e), and 60.48b(c).

136. This CAFO constitutes an "enforcement response" as that term is used in EPA's Clean Air Act Stationary Civil Penalty Policy to determine Respondent's "full compliance history" under Section 113(e) of the CAA, 42 U.S.C. § 7413(e).

137. The terms of this CAFO bind Respondent, its successors and assigns.

138. Each person signing this consent agreement certifies that he or she has the authority to sign for the party whom he or she represents and to bind that party to its terms.

139. Each party agrees to bear its own costs and attorney's fees in this action.

140. This CAFO constitutes the entire agreement between the parties.

Pixelle Specialty Solutions LLC, Respondent

3/25/25
Date

John P. Jacunski
SVP & CFO
Pixelle Specialty Solutions LLC

United States Environmental Protection Agency, Complainant

MICHAEL HARRIS

Digitally signed by MICHAEL HARRIS
Date: 2025.04.16 12:15:34 -05'00'

Michael D. Harris
Division Director
Enforcement and Compliance Assurance Division
U.S. Environmental Protection Agency, Region 5

Final Order

This Consent Agreement and Final Order, as agreed to by the parties, shall become effective immediately upon filing with the Regional Hearing Clerk. This Final Order concludes this proceeding pursuant to 40 C.F.R. §§ 22.18 and 22.31. IT IS SO ORDERED.

ANN COYLE Digitally signed by ANN COYLE Date: 2025.04.16 13:29:27 -05'00'

_____ _____

Date

Ann L. Coyle
Regional Judicial Officer
U.S. Environmental Protection Agency
Region 5